House File 775 - Introduced

HOUSE FILE BY COMMITTEE ON LABOR (SUCCESSOR TO HSB 247)

Passed House, Date _____ Passed Senate, Date _____ Nays ____ Vote: Ayes ____ Nays _

A BILL FOR

1 An Act requiring additional workers' compensation payments for scheduled injuries that result in a reduction in the injured employee's earning capacity. 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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Section 1. Section 85.34, subsection 2, Code 2009, is 2 amended by adding the following new paragraph: 3 NEW PARAGRAPH. w. If an employee sustains an injury 4 described in paragraphs "a" through "t" and is unable to 5 return to employment providing substantially similar earnings 6 to the earnings provided in the employment in which the 7 employee was engaged at the time of the injury, compensation 8 shall be paid during the number of weeks in relation to five 9 hundred weeks as the reduction in the employee's earning 1 10 capacity bears in relation to the earning capacity that the 11 employee possessed when the injury occurred. If the employee 12 is permanently and totally disabled as a result of such an 1 13 injury the employee may be entitled to benefits under 1 14 subsection 3.

1 15 Sec. 2. Section 85.64, Code 2009, is amended to read as 1 16 follows:

85.64 LIMITATION OF BENEFITS.

1 18 <u>1.</u> If an employee who has previously lost, or lost the use 1 19 of, one hand, one arm, one foot, one leg, or one eye, becomes 1 20 permanently disabled by a compensable injury which has 1 20 permanently disabled by a compensable injury which has
1 21 resulted in the loss of or loss of use of another such member
1 22 or organ and which does not cause the employee to be eligible
1 23 for benefits under section 85.34, subsection 2, paragraph "w",
1 24 the employer shall be liable only for the degree of disability 1 25 which would have resulted from the latter injury if there had 1 26 been no preexisting disability. In addition to such 1 27 compensation, and after the expiration of the full period 28 provided by law for the payments thereof by the employer, the 1 29 employee shall be paid out of the "Second Injury Fund" created 1 30 by this division the remainder of such compensation as would 1 31 be payable for the degree of permanent disability involved 32 after first deducting from such remainder the compensable 33 value of the previously lost member or organ.

2. Any benefits received by any such employee, or to which 35 the employee may be entitled, by reason of such increased 1 disability from any state or federal fund or agency, to which 2 said employee has not directly contributed, shall be regarded 3 as a credit to any award made against said second injury fund 4 as aforesaid.

EXPLANATION

This bill amends Code section 85.34 to provide that for 7 purposes of workers' compensation, an employee who sustains a 8 scheduled injury and is unable to return to employment 9 providing substantially similar earnings to that of the 2 10 preinjury employment earning capacity, shall be paid 2 11 compensation during the number of weeks in relation to 500 2 12 weeks as the reduction in the employee's earning capacity 2 13 caused by the disability bears in relation to the earning 2 14 capacity that the employee possessed when the injury occurred. 2 15 The bill also amends Code section 85.64 to provide that an 2 16 employee who has previously sustained a loss of a body part 2 17 and then becomes permanently disabled when that injury is

- 2 18 combined with a second compensable injury is entitled to 19 compensation out of the state second injury fund as long as 2 20 that second compensable injury alone does not cause the 2 21 employee to be unable to return to substantially similar 2 22 employment and thus be eligible for benefits under the new 2 23 paragraph "w" in Code section 85.34(2). 2 24 LSB 1884HV 83 2 25 av/rj/14